

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

C

WS-02672A
Cloud Nine Water Company Inc.-Water Division
96 Bel Aire Pl., Ste 140
Sierra Vista, AZ 85635

ANNUAL REPORT

FOR YEAR ENDING

12	31	2005
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RECEIVED

APR 17 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

FOR COMMISSION USE

ANN04	05
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Entered
4-18-06
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Scanned
5-3-06
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COMPANY INFORMATION

Company Name (Business Name) <u>CLOUD NINE WATER COMPANY, INC.</u>			
Mailing Address <u>96 BEL AIRE PLACE, STE 140</u>			
<u>SIERRA VISTA</u> (City)	<u>AZ</u> (State)	<u>85635</u> (Zip)	
<u>(520) 458 1311</u> Telephone No. (Include Area Code)	<u>(520) 458 4532</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)	
Email Address <u>N/A</u>			
Local Office Mailing Address <u>AS ABOVE</u>			
<u>(Street)</u>			
<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>	
<u>(520) 458 1311</u> Local Office Telephone No. (Include Area Code)	<u>(520) 458 4532</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)	
Email Address <u>N/A</u>			

MANAGEMENT INFORMATION

Management Contact: <u>JEAN MITCHELL</u>		<u>OFFICE MANAGER</u>	
<u>(Name)</u>		<u>(Title)</u>	
<u>96 BEL AIRE PLACE, STE 140</u> (Street)	<u>SIERRA VISTA</u> (City)	<u>AZ</u> (State)	<u>85635</u> (Zip)
<u>(520) 458 1311</u> Telephone No. (Include Area Code)	<u>(520) 458 4532</u> Fax No. (Include Area Code)	<u>(520) 458 4532</u> Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>JEAN MITCHELL</u>			
<u>(Name)</u>			
<u>AS ABOVE</u>			
<u>(Street)</u>	<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
<u>(520) 458 1311</u> Telephone No. (Include Area Code)	<u>(520) 458 4532</u> Fax No. (Include Area Code)	<u>(520) 458 4532</u> Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: EUGENE C. GIESELER
(Name)

3040 E. SUNRISE DR, STE 200 TUCSON AZ 85718
(Street) (City) (State) (Zip)

(520) 792 1181 (520) 792 2859 N/A
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: EUGENE C. GIESELER
(Name)

AS ABOVE
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

CLOUD NINE WATER COMPANY, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	50,000.00	17,604.29	32,395.71
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	18,720.00	13,143.00	5,577.00
311	Pumping Equipment	78,850.12	33,598.09	45,252.03
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	58,755.00	41,253.00	17,502.00
331	Transmission and Distribution Mains	23,805.00	16,721.00	7,084.00
333	Services			
334	Meters and Meter Installations	315.00	293.88	21.12
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1,485.00	1,040.00	445.00
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	231,930.12	123,653.26	108,276.86

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CLOUD NINE WATER COMPANY, INC.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	50,000.00	2.5%	1,250.00
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	18,720.00	5%	936.00
311	Pumping Equipment	78,850.12	5% 1/2%	2,987.00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	58,755.00	5%	2,938.00
331	Transmission and Distribution Mains	23,805.00	5%	1,191.00
333	Services			
334	Meters and Meter Installations	315.00	-	-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1,485.00	5%	74.00
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			7,376.00

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME

CLOUD NINE WATER COMPANY, INC.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1,505.45	\$ 3,937.98
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,505.45	\$ 3,937.98
	FIXED ASSETS		
101	Utility Plant in Service	\$ 200,000.00	\$ 231,930.42
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(114,277.26)	(123,653.26)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 85,722.74	\$ 108,276.86
	TOTAL ASSETS	\$ 87,228.19	\$ 112,214.84

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME	CLOUD NINE WATER COMPANY, INC.
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BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	-	36,325.22
235	Customer Deposits		
236	Accrued Taxes	118.00	97.09
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	910.21	4,149.17
	TOTAL CURRENT LIABILITIES	\$ 1,028.21	\$ 40,571.48
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ -	\$ -
	TOTAL LIABILITIES	\$ 1,028.21	\$ 40,571.48
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 200,000.00	\$ 200,000.00
211	Paid in Capital in Excess of Par Value	3,503.29	3,503.29
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	(117,303.31)	(131,859.93)
	TOTAL CAPITAL	\$ 86,199.98	\$ 71,643.36
	TOTAL LIABILITIES AND CAPITAL	\$ 87,228.91	\$ 112,214.84

COMPANY NAME CLOUD NINE WATER COMPANY, INC.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 15,821.74	\$ 14,528.00
460	Unmetered Water Revenue		
474	Other Water Revenues	205.79	119.96
	TOTAL REVENUES	\$ 16,027.53	\$ 14,647.96
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	13,050.81	18,341.34
618	Chemicals		
620	Repairs and Maintenance	104.94	554.53
621	Office Supplies and Expense	280.00	333.00
630	Outside Services		1,514.54
635	Water Testing	1,550.00	2,530.00
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	-	2,578.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	932.91	45.00
403	Depreciation Expense	8,737.00	9,376.00
408	Taxes Other Than Income	41.59	-
408.11	Property Taxes	608.64	1,485.37
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 25,305.89	\$ 36,758.28
	OPERATING INCOME/(LOSS)	\$ (9,278.36)	\$ (22,110.32)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ -	\$ -
	NET INCOME/(LOSS)	\$ (9,278.36)	\$ (22,110.32)

COMPANY NAME

CLOUD NINE WATER COMPANY, INC.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 0

Meter Deposits Refunded During the Test Year

\$ 0

COMPANY NAME CLOUD NINE WATER COMPANY, INC

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
	30			4"		
	40			4"		

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
05	1		
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
300,000	1	20,000 gal.	2
20,000	1		

COMPANY NAME CLOUD NINE WATER COMPANY, INC.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	4"	400
3		500
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	9
3/4	
1	
1 1/2	2
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

BOOSTER PUMPS		STORAGE TANK CAPACITY	PRESSURE TANKS
HORSEPOWER	5	300,000	2 x 20,000 gal.
	15	20,000	

STRUCTURES:

OTHER:

COMPANY NAME: CLOUD NINE WATER COMPANY, INC.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY			575,700
FEBRUARY			596,300
MARCH			801,900
APRIL			790,200
MAY			765,210
JUNE			812,920
JULY			767,800
AUGUST			613,243
SEPTEMBER			604,410
OCTOBER			897,210
NOVEMBER			524,040
DECEMBER			430,379
TOTAL			8,179,312

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 0 mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME CLOUD NINE WATER COMPANY, INC. YEAR ENDING 12/31/2005

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 1,485.87

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. N/A

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED
APR 17 2006
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>COCHISE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>NICHOLAS J. NOVASIC, PRESIDENT</u>
COMPANY NAME <u>CLOUD NINE WATER COMPANY, INC.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Nicholas J. Novasic *XNJJN*
SIGNATURE OF OWNER OR OFFICIAL
415-642-7979
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

COUNTY NAME	
MONTH	, 20__

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

CALIFORNIA JURAT WITH AFFIANT STATEMENT

State of California

County of

SAN FRANCISCO

} ss.

☒ See Attached Document (Notary to cross out lines 1-6 below)

☐ See Statement Below (Lines 1-5 to be completed only by document signer[s], not Notary)

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

Subscribed and sworn to (or affirmed) before me on this

DTA day of APRIL, 2006, by
Date Month Year

(1) NICHOLAS NOVATIC,
Name of Signer

☐ Personally known to me

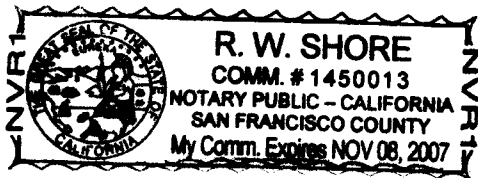
☒ Proved to me on the basis of satisfactory evidence
to be the person who appeared before me (.) (,)

(and

(2) _____,
Name of Signer

☐ Personally known to me

☐ Proved to me on the basis of satisfactory evidence
to be the person who appeared before me.)



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove
valuable to persons relying on the document and could prevent
fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

VERIFICATION + SWORN STATEMENT

Title or Type of Document: TAXES

Document Date: 4-12-06 Number of Pages: 1

Signer(s) Other Than Named Above: NONE

RIGHT THUMBPRINT
OF SIGNER #1

Top of thumb here

RIGHT THUMBPRINT
OF SIGNER #2

Top of thumb here

COMPANY NAME CLOUD NINE WATER COMPANY, INC.

YEAR ENDING 12/31/2005

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported (14,557)
Estimated or Actual Federal Tax Liability 0State Taxable Income Reported (14,557)
Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances N/A
Amount of Gross-Up Tax Collected N/A
Total Grossed-Up Contributions/Advances N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Nicholas J. Novak NTN
SIGNATURE4/12/06
DATENICHOLAS J. NOVAK
PRINTED NAMEPRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
APR 17 2006
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>COCHISE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>NICHOLAS J NOVACIC, PRESIDENT</u>
COMPANY NAME <u>CLOUD NINE WATER COMPANY, INC.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 15,881.64

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1,233.68
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS DAY OF

(SEAL)

MY COMMISSION EXPIRES _____

Nich J. Novacic X NSN
SIGNATURE OF OWNER OR OFFICIAL
(520) 458-1331 415-642-7979
TELEPHONE NUMBER

COUNTY NAME
MONTH <u>20</u>

SIGNATURE OF NOTARY PUBLIC

CALIFORNIA JURAT WITH AFFIANT STATEMENT

State of California

County of SAN FRANCISCO } ss.

- ☒ See Attached Document (Notary to cross out lines 1-6 below)
☐ See Statement Below (Lines 1-5 to be completed only by document signer[s], not Notary)

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

Subscribed and sworn to (or affirmed) before me on this

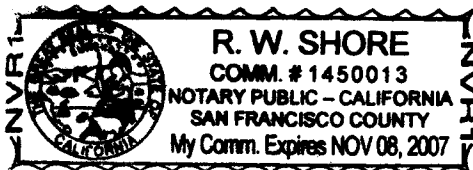
12TH day of APRIL, 2006, by
Date Month Year

(1) NICHOLAS NOVASIC,
Name of Signer

- ☐ Personally known to me
☒ Proved to me on the basis of satisfactory evidence
to be the person who appeared before me (.) (.)
(and)

(2) _____,
Name of Signer

- ☐ Personally known to me
☐ Proved to me on the basis of satisfactory evidence
to be the person who appeared before me.)



[Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: VERIFICATION + SWORN STATEMENT
INTRASTATE REVENUES ONLY

Document Date: 4-12-06 Number of Pages: 1

Signer(s) Other Than Named Above: NONE

RIGHT THUMBPRINT
OF SIGNER #1
Top of thumb here

RIGHT THUMBPRINT
OF SIGNER #2
Top of thumb here

RECEIVED

APR 17 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) COCHISE	
NAME (OWNER OR OFFICIAL) NICHOLAS J. NOVASIC	TITLE PRESIDENT.
COMPANY NAME CLOUD NINE WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

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ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 15,881.64

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1,233.68
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Nicholas J. Novasic X NTR
SIGNATURE OF OWNER OR OFFICIAL
415-642-7979
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

--

DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	.20__

(SEAL)

MY COMMISSION EXPIRES

X

SIGNATURE OF NOTARY PUBLIC

CALIFORNIA JURAT WITH AFFIANT STATEMENT

State of California

County of

SAN FRANCISCO

} ss.

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Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

Subscribed and sworn to (or affirmed) before me on this

12TH day of APRIL, 2006, by
Date Month Year

(1) NICHOLAS NOVAKIC,
Name of Signer

☐ Personally known to me

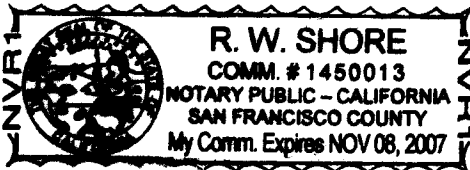
☒ Proved to me on the basis of satisfactory evidence
to be the person who appeared before me (.) (.)

(and

(2) _____,
Name of Signer

☐ Personally known to me

☐ Proved to me on the basis of satisfactory evidence
to be the person who appeared before me.)



Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove
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Further Description of Any Attached Document

Title or Type of Document: RESIDENTIAL REVENUE

Document Date: 4-12-06 Number of Pages: 1

Signer(s) Other Than Named Above: NONE

RIGHT THUMBPRINT
OF SIGNER #1

Top of thumb here

RIGHT THUMBPRINT
OF SIGNER #2

Top of thumb here

CLOUD 9 WATER COMPANY, INC.
90 RAINBOW WAY 458-5855
SIERRA VISTA, AZ 85635

1749

91-170/1221

Nov 1 2005

Pay to the order of Cochise County Treasurer \$ 877 23
EIGHT HUNDRED SEVENTY SEVEN AND 23/100 — Dollars

Bank of America
Sierra Vista Branch 08524
3148 E. Fry Blvd.
Sierra Vista, AZ 85635
257-0001 In Phoenix, 1-800-284-8491 Nationwide

(05) ETC

For 107-50-292-7 107-50-293-0
944-56-870-6 944-56-8308-8

L Jean Mitchell

⑈001749⑈ ⑆122101706⑆

073⑈784184⑈

⑈0000087723⑈

VS DATE 11/07/05
PO# 11/07/05 01 P01

AMERICAN CHASE BANK, NA
FORT WORTH, TX 76102
1119013314

3550530000

5240719825

21337294 12210002
PAY TO THE ORDER OF
019 BANK ONE 01

11 04 05

FOR DEPOSIT ONLY
MARSHA BONHAM TREASURER
TAX COLLECTOR - COCHISE CO

CLOUD 9 WATER COMPANY, INC.

90 RAINBOW WAY 458-5855
SIERRA VISTA, AZ 85635

1725

91-170/1221

4/21/05 19

Pay to the order of Marsha Bonham, Cochise Co. Treasurer

\$ 608.64

Six hundred eight and 64/100

Dollars



Bank of America

Sierra Vista Branch 08524

3148 E. Fry Blvd.

Sierra Vista, AZ 85635

257-0001 In Phoenix, 1-800-284-8491 Nationwide

For ID 944-56-830B-8

944-56-870-6

L Jean Mitchell

\$151.55

001725

122101706

9457.09

073 784 184

0000060864

21307101 221000
PAY TO THE ORDER
019 BANK ONE

05 - 2 05

FOR DEPOSIT
MARSHA
TAX COLLECTOR - COCHISE

US DATE 05/03/05 01 P01
3250857208

BANK ONE, WA
1119013314
05022005

5140769714